

Article 30.

Public Education.

**§ 160A-700. Funding for public education.**

(a) Authority. – A city may use property tax revenues authorized under G.S. 160A-209(c)(26b) and other unrestricted revenues to supplement funding for elementary and secondary public education that benefits the residents of the city. Cities may direct or restrict the use of funds appropriated for specific purposes, functions, projects, programs, or objects, as provided in this section.

(b) Purposes. – A city may appropriate funds under this section as follows:

- (1) For a public school located inside the city limits, for capital, for current operating expenses, or for other specific uses directed by the city. Funds appropriated by cities in accordance with this subdivision may be used to enter into operational and financing leases for real property or mobile classroom units for use as school facilities for public schools and may be used for payments on loans made to public schools for facilities, equipment, or operations. However, municipal appropriations shall not be used to obtain any other interest in real property or mobile classroom units. Every contract or lease into which a public school enters involving a municipal appropriation pursuant to this section shall include the following sentence: "No indebtedness of any kind incurred or obligation created by the public school shall constitute an indebtedness or obligation of the city, and no indebtedness or obligation of the public school shall involve or be secured by the faith, credit, or taxing power of the city."
- (2) For a public school located outside the city limits, on a per pupil basis for students attending that school who are residents of the city for current operating expenses or other specific uses directed by the city.

(c) Procedure. – If a public school is under the control of a local board of education, the appropriation for that school shall be made to the local board of education of the local school administrative unit.

(d) For the purposes of this section, "public school" means:

- (1) A school under the control of a local board of education.
- (2) An innovative school operated under Article 7A of Chapter 115C of the General Statutes.
- (3) A laboratory school under the control of a constituent institution of The University of North Carolina.
- (4) A charter school created under Article 14A of Chapter 115C of the General Statutes.
- (5) A regional school created under Part 10 of Article 16 of Chapter 115C of the General Statutes. (2018-5, s. 38.8(b); 2018-97, s. 11.1.)